

N E W S R E L E A S E

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California's Unemployment Rate Increases to 6.8 Percent *State Follows National Employment Trends*

SACRAMENTO – California's unemployment rate was 6.8 percent in May, up from 6.2 percent in April, the state Employment Development Department (EDD) reported today. A year ago, in May 2007, California's unemployment rate was 5.3 percent.

The U.S. unemployment rate also increased this month, from 5.0 percent in April to 5.5 percent in May, and this week several states also reported similar or larger increases.

According to EDD's monthly survey of employers, nonfarm payroll employment in California decreased by 10,900 jobs over the month, for a total of 15,143,100.

According to the separate survey of households, the number of Californians holding jobs in May was 17,186,000. This was a decrease of 60,000 from April, and down 18,000 from the employment total in May of last year.

The number of people unemployed in California was 1,256,000 – up by 115,000 over the month, and up by 300,000 compared with May of last year.

Of the unemployed, 467,300 were laid off, 107,600 left their jobs voluntarily, and the remaining were either new entrants or reentrants into the labor market, or persons who completed temporary jobs.

UNEMPLOYMENT INSURANCE CLAIMS (NOT SEASONALLY ADJUSTED)

In related data, the EDD reported that there were 467,563 people receiving regular unemployment insurance benefits during the May survey week. This compares with 492,000 last month and 370,075 last year. At the same time, new claims for unemployment insurance were 47,003 in May 2008, compared with 52,316 in April and 41,069 in May of last year.

(more)

WAGE AND SALARY EMPLOYMENT DETAIL (SEASONALLY ADJUSTED)

EDD's report on payroll employment (wage and salary jobs) in the nonfarm industries of California totaled 15,143,100 in May, a net loss of 10,900 jobs since the April survey. This followed a loss of 9,100 jobs (as revised) in April.

Four of the categories (**natural resources and mining; information; educational and health services; and other services**) added jobs over the month, gaining 9,000 jobs. Educational and health services showed the largest gain, up by 4,000 jobs. Six categories (**construction; manufacturing; trade, transportation and utilities; financial activities; professional and business services; and leisure and hospitality**) reported job declines this month, down 19,900 jobs. Construction posted the largest decline over the month, down by 9,600 jobs. One category, **government**, had no change over the month.

In a year-over-year comparison (May 2007 to May 2008), nonfarm payroll employment in California decreased by 18,600 jobs (down 0.1 percent).

Six industry divisions (**natural resources and mining; professional and business services; educational and health services; leisure and hospitality; other services; and government**) posted job gains over the year, adding 138,700 jobs. Educational and health services showed the strongest gain on a numerical basis, adding 56,100 jobs (a 3.4 percent increase). On a percentage of growth basis, natural resources and mining showed the strongest gain, up 3.5 percent (adding 900 jobs).

Five categories (**construction; manufacturing; trade, transportation and utilities; information; and financial activities**) posted job declines over the year, down 157,300 jobs. Construction employment showed the largest decline on both a numerical and percentage basis, down by 88,400 jobs (a decline of 9.8 percent).

WAGE AND SALARY EMPLOYMENT DETAIL (**NOT** SEASONALLY ADJUSTED)

Over the month, employment in **leisure and hospitality** recorded the largest non-seasonally adjusted gain, up by 12,200 jobs. The gains were centered in food services and drinking places (up by 7,500 jobs), and arts, entertainment and recreation (up by 4,200 jobs). **Professional and business services** recorded the greatest non-seasonally adjusted loss, down by 2,900 jobs. The losses were all in the accounting, tax preparation and bookkeeping sector, which declined by 9,700 jobs following the tax filing season.

Educational and health services reported the largest gain over the year, up 54,400 jobs. The gains were centered in health care and social assistance, which was up by 41,400 jobs. The largest decrease over the year was in **construction**, which was down by 90,100 jobs. The losses were mainly in specialty trade contractors, down 68,800 jobs, and residential building construction, down 20,300 jobs.

NOTE TO EDITORS: *EDD encourages those who are filing for unemployment insurance benefits to do so on-line through our Web site at www.edd.ca.gov. On-line claim filing is the fastest, most convenient way to apply for unemployment benefits, and is available 24 hours a day, 7 days a week.*

Seasonally adjusted payroll detail follows:

WAGE AND SALARY EMPLOYMENT, SEASONALLY ADJUSTED DATA

(Amounts in thousands)

Industrial Classification	May 2008 (prelim.)	April 2008 (revised)	May 2007	Change Over 12 months (Percent)
Nonagricultural Wage and Salary Workers	15,143.1	15,154.0	15,161.7	-0.1
Natural resources and mining	26.9	26.7	26.0	3.5
Construction	815.3	824.9	903.7	-9.8
Manufacturing	1,442.5	1,445.8	1,464.5	-1.5
Trade, transportation and utilities	2,905.3	2,906.0	2,911.9	-0.2
Information	466.1	462.9	471.5	-1.1
Financial activities	877.5	878.7	912.4	-3.8
Professional and business services	2,282.0	2,285.1	2,260.3	1.0
Educational and health services	1,712.2	1,708.2	1,656.1	3.4
Leisure and hospitality	1,564.1	1,566.1	1,554.6	0.6
Other services	516.6	515.0	509.3	1.4
Government*	2,534.6	2,534.6	2,491.4	1.7
Agriculture	379.9	386.4	381.3	-0.4

*Includes all civilian employees of federal, state, and local governments.

TABLE A
EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, SEASONALLY ADJUSTED DATA

	May 2008 (prelim.)	April 2008 (revised)	March 2008	May 2007
Civilian labor force ^a	18,442,000	18,387,000	18,332,000	18,160,000
Total civilian employment	17,186,000	17,246,000	17,194,000	17,204,000
Unemployment	1,256,000	1,141,000	1,138,000	956,000
Seasonally adjusted rate %	6.8	6.2	6.2	5.3
US seasonally adjusted rate %	5.5	5.0	5.1	4.5

TABLE B
EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, UNADJUSTED DATA

	May 2008 (prelim.)	April 2008 (revised)	March 2008	May 2007
Civilian labor force ^a	18,368,000	18,303,000	18,303,000	18,051,000
Total civilian employment	17,178,000	17,187,000	17,122,000	17,175,000
Unemployment	1,190,000	1,116,000	1,181,000	876,000
Unadjusted rate %	6.5	6.1	6.5	4.9

^aLabor force by place of residence including workers involved in trade disputes.

MONTHLY LABOR FORCE DATA FOR COUNTIES
MAY 2008 (Preliminary); 2007 BENCHMARK
NOT SEASONALLY ADJUSTED

COUNTY	LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	RATE
STATE TOTAL	18,367,500	17,178,000	1,189,500	6.5%
ALAMEDA	760,100	716,500	43,600	5.7%
ALPINE	470	400	70	14.1%
AMADOR	18,560	17,240	1,320	7.1%
BUTTE	107,200	99,100	8,100	7.5%
CALAVERAS	21,550	19,860	1,690	7.8%
COLUSA	10,600	9,430	1,170	11.1%
CONTRA COSTA	529,700	499,200	30,500	5.8%
DEL NORTE	11,520	10,600	920	8.0%
EL DORADO	95,800	89,600	6,200	6.5%
FRESNO	440,700	398,200	42,500	9.7%
GLENN	12,900	11,690	1,210	9.4%
HUMBOLDT	61,500	57,500	4,000	6.5%
IMPERIAL	70,700	57,100	13,600	19.2%
INYO	9,310	8,750	560	6.0%
KERN	356,700	322,900	33,800	9.5%
KINGS	60,000	54,300	5,700	9.5%
LAKE	26,390	23,940	2,450	9.3%
LASSEN	13,010	11,890	1,120	8.6%
LOS ANGELES	4,925,500	4,608,300	317,200	6.4%
MADERA	65,500	59,500	6,000	9.1%
MARIN	138,900	133,000	5,900	4.2%
MARIPOSA	9,160	8,510	650	7.1%
MENDOCINO	44,300	41,520	2,780	6.3%
MERCED	106,400	94,000	12,400	11.7%
MODOC	4,000	3,650	350	8.8%
MONO	7,640	7,060	580	7.6%
MONTEREY	216,800	202,200	14,600	6.7%
NAPA	76,600	73,100	3,500	4.5%
NEVADA	50,440	47,220	3,220	6.4%
ORANGE	1,633,700	1,555,500	78,200	4.8%
PLACER	176,600	165,900	10,700	6.1%
PLUMAS	10,980	10,100	880	8.0%
RIVERSIDE	917,100	847,400	69,700	7.6%
SACRAMENTO	698,300	653,100	45,200	6.5%
SAN BENITO	25,800	23,500	2,300	8.8%
SAN BERNARDINO	893,400	829,000	64,400	7.2%
SAN DIEGO	1,556,400	1,471,400	85,000	5.5%
SAN FRANCISCO	442,200	420,400	21,800	4.9%
SAN JOAQUIN	306,100	277,100	29,000	9.5%
SAN LUIS OBISPO	139,900	132,700	7,200	5.2%
SAN MATEO	386,800	370,100	16,700	4.3%
SANTA BARBARA	222,700	212,400	10,300	4.6%
SANTA CLARA	869,300	821,500	47,800	5.5%
SANTA CRUZ	152,900	143,500	9,400	6.1%
SHASTA	86,500	78,600	7,900	9.1%
SIERRA	1,650	1,480	170	10.3%
SISKIYOU	19,630	17,910	1,720	8.7%
SOLANO	212,000	198,300	13,700	6.5%
SONOMA	267,900	254,200	13,700	5.1%
STANISLAUS	236,000	210,600	25,400	10.8%
SUTTER	42,800	37,600	5,200	12.1%
TEHAMA	25,720	23,520	2,200	8.5%
TRINITY	5,280	4,710	570	10.8%
TULARE	202,100	182,900	19,200	9.5%
TUOLUMNE	26,710	24,780	1,930	7.2%
VENTURA	432,100	407,900	24,200	5.6%
YOLO	97,400	91,000	6,400	6.6%
YUBA	27,800	24,700	3,100	11.2%